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Subject: Cabot Provides Evidence Showing Few Dimock Township Homes Exceed U.S. Government Methane Suggested Action Levels

FYI

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News Release

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Cabot Provides Evidence Showing Few Dimock Township Homes Exceed U.S. Government Methane Suggested Action Levels

Data Confirms Gas Present in Drinking Water for Decades

[Dissolve Methane Data](#)

(Pittsburgh October 19, 2010) Cabot Oil & Gas Corp. (Cabot) today revealed data showing only four drinking water wells located in Dimock Township, PA have methane in their well water that exceed levels suggested by the U.S. Department of the Interior, Office of Surface Mining. Previously, Cabot provided substantial and persuasive proof that methane gas has been present in water wells in and around the Dimock area for generations. "We do not believe that our operations caused the Dimock water-quality issues," said Cabot spokesman George Stark. "However, we are committed to addressing the issue and stand ready to immediately install systems that are proven to meet safe drinking water standards."

On September 30, 2010, the Secretary of the Pennsylvania PaDEP announced plans for a \$12 million water pipeline from Montrose, PA to provide drinking water to the 14 homes in the Dimock area which the PaDEP says deserve attention. Although PaDEP has said it will attempt to compel Cabot to pay for construction of the pipeline, the agency plans to ask the taxpayer-funded Pennsylvania Infrastructure Investment Authority (PENNVEST) for the money to construct the water line.

"It's equally clear that the state's \$12 million 'solution' is an unwarranted burden on the taxpayers of Pennsylvania," added Stark. "We continue to put forth workable solutions, including approaches typically approved by the PaDEP. According to the data released today by Cabot, just four of the wells associated with the PaDEP Consent Order in the Dimock area tested above the action threshold" of 28mg/liter of methane suggested by the U.S. Department of the Interior, Office of Surface Mining, and one of those wells is on a property with a wetland, the likely source of microbial' gas (gas formed as a byproduct of decomposition of organic material). The data was taken from six tests on wells conducted by Cabot scientists and eight conducted by the PaDEP.

"DEP is asking Pennsylvania taxpayers to pay \$12 million to fix a pre-existing condition that actually involves only four homes," said Stark. That's \$3 million per home. PaDEP previously required methane removal systems as the solution," added Stark, and later they inexplicably decided that the Montrose pipeline would be built, in spite of the negatives associated with attempting such a project."

Stark said that during April 2010 discussions with DEP, Cabot agreed to purchase state -of -the -art methane treatment systems for 14 affected homes in the Dimock area at a total cost of \$193,000, and Cabot has been ready to install the systems since that time. One system has been placed and successfully tested. The household is waiting for final PaDEP approval to complete installation. Of the remaining households, eleven are suing Cabot and refused installation of the systems.

In addition to the well test results and publicly available historical documentation, Cabot has compiled records of the existence of methane gas in and around the Dimock area long before Cabot began drilling for natural gas. Additionally, Cabot provided copies of sworn affidavits from residents who acknowledged they have ignited their well water prior to Cabot drilling in their community.

Cabot has also discovered water well drillers who have encountered gas while drilling water wells in the area, reports detailing hundreds of water wells in and around the area that tested positive for gas prior to Cabot's activities, and official U.S. Geological Survey data concluding that methane gas was present in the area's groundwater decades before Cabot started drilling.

Copies of the Cabot data can be viewed on the Cabot website: www.cabotog.com.

Since commencing operations in Susquehanna County in 2006, Cabot has invested more than \$500 million and created more than 300 full-time jobs through Company staff additions, and through its vendors and suppliers. The Company remains committed to safe, compliant operations and continues to strive to achieve its goal of zero incidents.

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